EXHIBIT 7



May 27, 1992

Mr. Rick White Town Manager Town of Lexington 1625 Massachusetts Avenue Lexington, MA 02173

Dear Mr. White:

On February 12, 1992, Cablevision Systems Corporation announced a restructuring and refinancing plan for its wholly-owned subsidiary, A-R Cable Services, Inc., which provides cable television service in your community. We were very pleased to unveil this plan, as it is designed to ensure access to resources which will improve the financial stability and operational predictability we need to continue providing the best cable television service possible.

There will be no change in the management or operation of the cable system as a result of this restructuring. Cablevision will continue to provide service to your community. However, this plan involves a new financial partner, Warburg, Pincus Investors, L.P. You will find a brief summary of this transaction attached.

Warburg has provided not only a significant infusion of new capital into Massachusetts and the other states in which A-R operates, but also offers business acumen earned over many years as one of the nation's leading venture banking firms.

Pursuant to the rules of the Massachusetts Community Antenna Television Commission, a restructuring of this kind requires the approval of your community. With this letter we request that you initiate the approval process described in the Commission's regulations. You will find a "Form 100" application for transfer or assignment of an existing license enclosed with this letter providing a detailed description of this restructuring and other information which we hope will prove useful in making the appropriate determination.

Page 2 May 27, 1992

In addition to appearing at the required public hearing, we will be happy to meet with you or your designated representatives at any other time, and to provide you with any additional information you may need. Please feel free to call me at 516-496-1108; our local General Manager, Pennie Contos; or the system's Director of Public Affairs, Jay Somers, if you have any questions or comments about this application or any other aspect of cable television service in your community.

Sincerely,

Sheila A. Mahony Vice President

SAM: la

Attachment

- a. Time of day that the facility will be available;
- b. Description of facilities and equipment available (including the cost of such equipment and facilities);
- c. Technical assistance available;
- d. Will origination facilities be located within the area to be served?
- 16. Attach as Exhibit N/A* applicant's proposed procedures for servicing subscriber complaints.
- * Cablevision accepts all provisions of the current License.

The office will be open during regular business hours Monday through Friday to discuss billing and service issues. Service related problems will be responded to, if possible within a 24-hour period. The Company will have a 24-hour answering service, seven days a week, to handle subscriber's calls during non-business hours. Service technicians will be dispatched as needed during non-business hours.

A subscriber without service for more than 24 continuous hours, shall be given a pro-rata reduction in his/her monthly bill based on the standard price of the specific services the subscriber did not receive.

Cablevision will interrupt service for purposes of repair and system upgrading only during periods of minimum use (but not from 7:00 p.m to midnight), except in the case of an emergency. Prior to planned outages in excess of one (1) hour for system repair or upgrading, notice will be displayed on the community program channel.

Cablevision shall provide notice of its billing practices and procedures for reporting and resolving complaints to all subscribers of at least once a year upon installation of new subscribers.

IV. RATES

17. Specify proposed charges to subscribers: SEE EXHIBIT #8a & 8b *

The inclusion of this schedule of rates and charges in the Form 100 document does not constitute an acknowledgement by A-R of any rate regulation authority by the Commonwealth of Massachusetts or the Town of Lexington. These current rates are subject to change.

VII. TRANSFER OR ASSIGNMENT

Applicants for transfer (transferee) or assignment (assignee) of an existing license under Section 7 of Chapter 166a must answer the following questions:

36. Name of transferor or assignor:

A-R Cable Services, Inc.

- 37. Date license expires: 08/31/96
- 38. What is the consideration to be given for the proposed transfer or assignment? Attach as Exhibit N/A * copies of any and all agreements between transferor/ee and assignor/ee.

Warburg has received shares of a new series of Series A Preferred Stock in A-R Cable in consideration of Warburg's investment of \$105 million. As a result, Warburg is entitled to one seat on A-R Cable's Board of Directors (out of a total of eleven) and has the benefit of certain negative covenants, but has no voting rights (other than as required by Massachusetts law). Upon receipt of all necessary franchise approvals, Warburg will be entitled to three of six seats on A-R Cable's Board of Directors, will be entitled to 60% of the vote on all matters on which holders of capital stock are entitled to vote and will have approval rights over certain major decisions of A-R Cable. For a complete description of the transaction, see the documents attached hereto as Exhibit #19.

- 39. Give a full statement of transferee's or assignee's reasons or purposes for requesting this license in Exhibit See response to Ouestion 35.
- 40. Identify by date and names of parties any contracts entered into by assignor which will be performed by assignee. If any changes will be made in contracts assumed by the assignee, describe fully in Exhibit N/A.
- 41. Attach as Exhibit #13 a certified balance sheet of applicant as of the applicant's last audit.
- 42. How is transfer of control to be effected? See item b below.
 - a) Change in classification of voting rights in stock;
 - b) Issue of stock or sale of Treasury stock;
 - c) Reduction in the outstanding stock;
 - d) Other (specify)
- 43. What specific provisions is applicant making to insure continuity of service to system subscribers during the transfer or assignment? See Exhibit #20.

REGIONALIZATION

Lexington

Bedford

Headend is located in Lexington

BROADCAST TELEVISION SIGNALS CURRENTLY RECEIVED IN THE LEXINGTON SYSTEM

Station	Channel	<u>Type</u>	Contour	<u>Network</u>	Significantly Viewed
Scacion	Chamier	TAPE	Concour	MECMOTY	VICHCO
WGBH-TV	2	VHF	Grade A	Educational	DNA
WBZ-TV	4	VHF	Grade A	NBC	Yes
WCVB-TV	5	VHF	Grade A	ABC	Yes
WHDH-TV	7	VHF	Grade A	CBS	Yes
WFXT-TV	25	UHF	Grade A	FOX	Yes
WHLL-TV	27	UHF	Grade B	Independent	Yes
WSBK-TV	38	UHF	Grade A	Independent	Yes
WGBX-TV	44	UHF	Grade A	Educational	DNA
WLVI-TV	56	UHF	Grade A	Independent	Yes
WQTV	68	UHF	Grade A	Independent	Yes
WJAR-TV	10	VHF	Grade B	NBC	Yes
WEHN-TV	11	VKF	Grade A	Educational	DNA
WNDS-TV	50	UHF	Grade A	Independent	Yes
WSBE-TV	36	UHF	Grade B	Educational	DNA

Broadcast signals currently carried.

				Method of	
<u>Call Letters</u>	Ch.	City	<u>State</u>	Reception	TV
WGBH	2	Boston	MA	0	X
WBZ	4	Boston	MA	0	Х
WCVB	5	Boston	MA	0	X
WHDH	7	Boston	MA	0	x
WFXT	25	Boston	MA	0	x
WHLL	27	Worcester	MA	o	x
WSBK	38	Boston	MA	0	x
WGBX	44	Boston	MA	0	X
WLVI	56	Boston	MA	0	x
WQTV	68	Boston	MA	0	X
WJAR	10	Providence	RI	0	x
WENH	11	Durham	NH	0	x
WNDS	50	Derry	NH	0	x
WSBE	36	Providence	RI	0	x
WTBS	17	Atlanta	GA	Satellite	х

EXHIBIT #4a (Lexington)

Services carried in addition to regularly rebroadcast signals. All services listed are available 24 hours per day except as otherwise noted.

Cable A

Type of Service	No. of Cable Ch. Used
Prevue Guide	3
SportsChannel	6
The Discovery Channel	9
TBS	10
CNN	14
ESPN	15
Arts & Entertainment Network	16
Nickelodeon	17
USA Network	18
Lifetime	19
TNT	20
The Weather Channel	21
Court TV	22
Headline News	23
VH-1	24
MTV	25
Pay Per View	26
CNBC	27
HBO	28
The Disney Channel	29
AMC	30
The Family Channel	31
Bravo	32
Cinemax	33
Showtime	34
The Movie Channel	35
NESN	36

EXHIBIT #4b (Lexington)

Services carried in addition to regularly rebroadcast signals. All services listed are available 24 hours per day except as otherwise noted.

Cable B

Type of Service	No. of Cable Ch. Used
Local Origination	2
The Learning Channel	6
Community Bulletin Board	7
E! Entertainment Television	10
Shared with WJAR (Selected Programming)	
Public Access	12
Religious Access	13
Boston Archdiocesan Channel	14
Country Music Television	15
The Nashville Network	16
Mind Extension University	17
QVC Network II	18
Home Shopping Network II	19
Home Shopping Network I	20
QVC Netowrk	21
Univision	24
Black Entertainment Television	25
C-SPAN	26
C-SPAN II	27
The Playboy Channel	28
Lexington Library Access	37
Lexington Education Access	38

NON-AUTOMATED LOCAL ORIGINATION PROGRAMMING

Ten-Fifteen hours of local origination programming is provided each week. Topics include local sporting events, regional special sporting events, live coverage of Town Meeting, live coverage of the Patriot's Day Parade, and issue-oriented programming.

A public access channel is provided for access uses that is programmed with access shows 4-8 hours per week.

The local origination/public access studio facility is designed for in-house production for the purpose of serving the Lexington Community. There is both 1/2" and 3/4" editing available. The control room is fully equipped with a character generator, audio mixing boards and special effects generators. Ample studio cameras are available. There is also a fully equipped studio van that is used for remote programming.

The studio programs two channels, one for local origination and one for public access. Programming ranges on the order of 3 to 4 hours per night, Monday through Friday, depending on coverage of live events. Every effort is made to work closely with the community, especially the schools, public library and local government officials for the coverage of all events of interest to the community. They do a myriad of programming which ranges from coverage of local government events and the major Patriot's Day Parade, to talk shows and informational programs such as "Shake, Rattle and Roll", which is a car information show.

The Lexington studio is adequately staffed with a full-time program director, a full-time access coordinator for Lexington and a full-time production technician.

Finally, access user courses are held regularly for the training of local citizens interested in learning about equipment and those who might be interested in getting involved with production.

The equipment is valued at \$400,000.

CABLEVISION RATE CARD

Programming for all tastes. Packages for all budgets.

THE MOVIE CHANNEL

SHOWTIME

CINEMAX

BRAVO

AMERICAN MOVIE

CLASSICS

THE DISNEY CHANNEL

HOME BOX OFFICE

PLUS FAMILY CABLE

RAINBOW GOLD-\$52.95 MONTHLY

Optional: Add New England Sports Network and/or The Playboy Channel for an additional \$6.00 each monthly.

CINEMAX

BRAVO

AMERICAN MOVIE

CLASSICS

THE DISNEY CHANNEL

HOME BOX OFFICE

PLUS FAMILY CABLE

HOME BOX OFFICE

AMERICAN MOVIE

CLASSICS

THE DISNEY

CHANNEL

PLUS FAMILY CABLE

SPORTSCHANNEL

■ RAINBOW-\$42.95 MONTHLY

Optional: Add New England Sports Network and/or The Playboy Channel for an additional \$6.00 each monthly.

◄ FAMILY PLUS-\$35.95 MONTHLY

> Optional: Add New England Sports Network and/or The Playboy Channel for an additional \$6.00 each monthly.

FAMILY CABLE

(Includes Basic Cable)

\$21.95 MONTHLY **ESPN**

ARTS & ENTERTAINMENT

BLACK ENTERTAINMENT

TELEVISION

COUNTRY MUSIC TELEVISION

TURNER NETWORK TELEVISION

CABLE NEWS NETWORK

NICKELODEON

USA NETWORK

LIFETIME

CONSUMER NEWS

& BUSINESS CHANNEL

COURTTV

HEADLINE NEWS

VH-1: VIDEO HITS ONE

MTV: MUSIC TELEVISION

THE NASHVILLE NETWORK

THE WEATHER CHANNEL

UNIVISION

BASIC CABLE \$9.95 MONTHLY

THE FAMILY CHANNEL

THE LEARNING CHANNEL

C-SPAN I & II

THE DISCOVERY CHANNEL

BOSTON ARCHDIOCESAN CHANNEL

FAMILY NETWORK

MIND EXTENSION UNIVERSITY

E! ENTERTAINMENT TELEVISION

4 SHOPPING CHANNELS

LOCAL ORIGINATION

PREVUE GUIDE

WNDS

WSBE WENH

WJAR (SELECTED PROGRAMMING)

LOCAL BROADCAST SIGNALS

PUBLIC ACCESS

SENIOR ACCESS

RELIGIOUS ACCESS

LIBRARY ACCESS

EDUCATIONAL ACCESS

BULLETIN BOARD

CABLIAISION

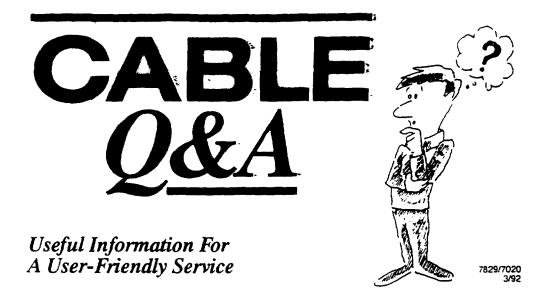
Additional Services	Monthly Rates
Basic Cable Service Only	\$ 9.95
Remote Control	\$ 2.95
Additional Outlet w/Basic Service	\$ 5.50
Additional Outlet w/Premium Service	\$ 7.50
VCR Programmer Outlet	\$ 7.50
Individual Selections*	
Home Box Office	\$ 9.95
The Playboy Channel	\$ 9.95
Showtime	\$ 9.95
The Movie Channel	\$ 9.95
Cinemax	\$ 9.95
American Movie Classics	\$ 9.95
Bravo	\$ 9.95
New England Sports Network (\$6.00 monthly with any premium service)	\$ 9.95
The Disney Channel	\$ 9.95
*Requires Converter and Family Cable.	
Pay Per View	
Movies and Special Events	Priced Individually
Installation Charges C	One Time Charge

Installation Charges One Ti	me Ch	narge
Standard Installation		\$40.00
Reconnection Charge for Current Account		\$25.00
Reconnection Charge for Delinquent Account		\$30.00
Additional Cable Connections on Callback	(each)	\$20.00
Change of Service	(each)	\$15.00
A/B Switch (Equipment Charge)		\$10.00
A/B Switch Installation (after initial installation)	~ ~~~	\$15.00
Relocate (internal or external)	(each)	\$20.00
Transfer to New Residence (if within cable area and within first 30 days of disconnection)	t)	\$25.00
VCR Installation		\$25.00

- 1. Subscribers on Medicaid may receive upon presentation of verification, the Family Cable service for \$9.95 a month. Pay Per Viewor Premium Services are not available with this discounted service.
- 2. Senior Citizens aged 62 or older may purchase Basic Cable for \$7.95 per month or Family Cable for \$19.95 per month. Pay Per View and/or Premium Services only are available with Family Cable.
- 3. Initial service charges are billed from date of installation to the end of the current billing period.
- 4. There is no charge for VCR hookup if done at the time cable is initially installed.
- 5.An adult 18 years or older must be present at the time of installation.
- 6. We reserve the right to reduce installation charges for promotional purposes.
- 7. Custom installation work undertaken upon request. The charges for customized service will be quoted prior to com-

- mencement of work and are payable in full prior to start of work.

 8. A payental quidance control converter is offered to all
- 8. A parental guidance control converter is offered to all subscribers. This converter will be installed free of charge at the time cable is initially installed.
- 9. Channel Selector and Remote Controls are the property of Cablevision and must be returned when service is discontinued or disconnected. Cablevision will charge \$175.00 per Channel Selector and \$45.00 per Remote Control for unreturned and/or damaged equipment.
- 10. Subscribers requesting a drop in any level of service within a 30-day notice period of a rate increase or a substantial change in the number or type of programming services relative to such service incurs no change of service charge.
- 11. An optional antenna switching device (A/B Switch) is available to all subscribers at a cost of \$10.00. Device is installed free of charge at time of initial installation, After initial installation, there will be a \$15.00 installation charge.
- 12. Commercial/Business rates available upon request.



Your Cablevision Statement.

How We Bill. How You Pay. What To Do If There's a Problem. We've redesigned our billing procedure to make it as easy and efficient as possible. But you may still have a question or two. To help, we've answered some of the most common questions here.

How am I billed?

Every month. For all cable services you'll receive during the upcoming month. Plus any Pay Per View orders you've made during the past month.

When do I pay?

We appreciate full payment 15 days after you get your bill. If your account becomes 30 days past due, we must place it in a delinquent status.



What happens after 30 days?

We send you a simple reminder. However, if we haven't received your payment after that, we will have to send you a Final Disconnect notice. If we must disconnect your service, you will also be billed for a reconnect charge.

What if my check is returned as uncollected?

You will be charged \$15. It will appear on your next monthly bill. In addition, your service may be subject to disconnection.

Can I get credit if my service goes out?

Yes. If you have a service outage for a continuous 24-hour period, you're entitled to a credit. Call us, come in person or write to us within 90 days of the outage: Cablevision, 577 Main Street, Hudson, MA 01749, 617-862-6585 (Lexington, Bedford, H.A.F.B.).

If I think my bill is wrong, what can I do?

You have the right to contest any billing error, including:

- 1. Credits or payment made by you but not reflected in the bill.
- 2. Errors in billing amount.
- 3. Credits for service outage.



What's my course of action?

First, tell us about the bill in question by phone, in person or by writing to us within 30 days of receiving it. Send this information to: Cablevision, 577 Main Street, Hudson, MA 01749, 617-862-6585 (Lexington, Bedford, H.A.F.B.). Please do not write on your bill or check.

What do you need to know when I contact you?

Include your name, address and account number. Then give us a description of the error and why you think it's incorrect. Give us the dollar amount involved and any other information you think is pertinent.

Do I pay the disputed bill?

Only the undisputed portion of it until the dispute is resolved. Of course, your cable service will not be interrupted as long as other billings are paid.

When will I have an answer?

Within ten business days. We will either agree to credit your account or tell you why the disputed bill was correct. Within five business days after that, we must credit your account or you must pay the disputed portion of your bill.

What if I'm still not satisfied?

If you do not accept our findings, tell us in writing. You may refer the matter to the Community Antenna Television Commission within 30 days. Otherwise, you will be responsible for the unpaid portion of the disputed bill. We will follow normal delinquent bill procedures after 30 days. Community Antenna Television Commission, Leverett Saltonstall Building, 100 Cambridge Street, Boston, MA 02202, (617) 727-6925.

What is a Parental Guidance Control?

We're proud of the variety of family programming we provide. Still, cable offers programs that are intended for mature audiences. Our Parental Guidance Control is an optional device for parents who may choose to restrict their child's viewing. The device lets you "lock out" programming. You can get a Parental Guidance Control upon request for a one-time installation fee.



Your right to privacy.

As a cable television subscriber, you have a right to privacy as stated in Section 631 of the Cable Communications Policy Act of 1984. This law protects your right to privacy while permitting Cablevision to collect, maintain and disclose certain personally identifiable subscriber information in the course of providing its service. To help you, we've outlined important information in this series of simple questions and answers. We hope you will find this information helpful.

What information does Cablevision maintain?

Your name, address, telephone number, Social Security Number, billing and payment records, complaint record, service and repair calls and correspondence between you and us.

We also keep information about any changes you've made in your cable service and the location and number of outlets in your home. We may contact you for additional information for use in the marketing of our services.

How long is the information kept?

We keep information for as long as is required for the operation of our business including the maintenance of our own appropriate tax, financial, accounting, service and property records.

How do you use this information?

We consider this information confidential. That's why our employees and agents use it only to provide you with the services we offer. Companies such as installation contractors, accountants, lawyers, billing and collection agencies, program suppliers and publishers of cable program guides may also use this data. Under certain circumstances, we may also provide information to government agencies and/or research companies. The information may be used to protect against and detect cable theft, an offense costly to everyone.

Will this information be used for any other purpose?

Occasionally, we may be required by court order to disclose information to parties outside the normal course of business.

Will you tell me when you disclose information about me?

Yes. If we are requested to provide any information about you to a government entity, we will inform you of this request. Before we release such information, the government entity must first provide us with a court order in a proceeding at which the government entity shows clear and convincing evidence that this information would be material to a criminal case against you. If so, you must be given the opportunity to contest the government entity's claim in court.

Will I be put on other mailing lists?

Although it is permitted by law, our policy is not to give our mailing lists to parties for non-cable mailings. Our mailing lists do not contain information as to the extent of your cable viewing, your use of a particular service or the nature of any transaction you make over our system. We do, however, use these lists to make non-cable mailings on behalf of others.



Suppose I don't want my information released?

It's your right to request a nondisclosure of your name and address for mailing list purposes. Simply obtain a Nondisclosure Form from our business office. Complete and sign the form (your name must appear as your account's billing party) and return it to our office. Once we receive it, we will withhold your information.

Can I see my file?

Of course. We'll be happy to make an appointment to visit our office during regular business hours. Just call or write. Cablevision, 577 Main Street, Hudson, MA 01749, 617-862-6585 (Lexington, Bedford, H.A.F.B.).



What if I think you have violated my rights to privacy?

You may bring a civil suit for damages against Cablevision in a U.S. District. Court. If you succeed in this action, the court may award you actual and punitive damages and reasonable attorney's fees and costs.



What is an A/B switch?

Lexington, Bedford, and H.A.F.B. are dual cable systems. An A/B switch is used to change your cable selections from Trunk A to Trunk B. You can add an additional A/B switch which allows you to switch your cable service back over to your roof antenna.

Do I need an antenna?

You need an antenna for the A/B switch to work but you don't need an antenna to receive cable television.

Why do I need an A/B switch?

If you have an antenna, the A/B switch allows you to receive local VHF and UHF broadcast stations should your cable service go out. You can also receive broadcast tv stations not carried by Cablevision. We're not required to carry all broadcast stations, but we do, in fact, carry most.

At the present time, local broadcast tv stations generally available in the following areas and carried by this cable system are:

Lexington, Bedford, H.A.F.B.:

WGBH 2 - Boston, MA	WGBX 44 - Boston, MA
WBZ 4 - Boston, MA	WLVI 56 - Boston, MA
WCVB 5 - Boston, MA	WQTV 68 - Boston, MA
WHDH 7 - Boston, MA	WJAR 10 - Providence, RI
WFXT 25 - Boston, MA	WSBE 36 - Providence, RI
WHLL 27 - Worcester, MA	WENH 11 - Durham, NH
WSBK 38 - Boston, MA	WNDS 50 - Derry, NH

Other broadcast tv stations which could potentially be received by antenna but are not currently carried by this cable system include:

Lexington, Bedford, H.A.F.B:

WLNE 6 - Providence, RI	WMUR 9 - Manchester, NH
WPRI 12 - Providence, RI	WGOT 60 - Merrimack, NH
WSBE 36 - Providence, RI	WMFP 62 - Lawrence, MA
WNAC 64 - Providence, RI	WHSH 66 - Boston, MA

What kinds of A/B switches are there?

We can provide you with a manual switch. But others are available from electronics stores: multiple input source, electronic and remote control. Check your television owner's manual to see if you have an auxiliary antenna input selector. This would be comparable to an A/B switch.

What technical standards must be met?

The FCC requires 80db isolation for frequency ranges of 54-216 MHz and 60db isolation for frequency ranges of 216-550 MHz.

How do I purchase an A/B switch?

From a variety of suppliers, including us. Use the order form at the bottom of this page if you'd like to order a switch from us. Each A/B switch costs \$10.

Can I install it myself?

We give you instructions when you buy one from us. We'll also install it for you, if you prefer, for an installation charge of \$15. Of course, installation is free if you request it at the time of your initial cable installation.



What materials do I need to install an A/B switch?

Four feet of shielded coaxial cable. Since we are required by the FCC to continually check our cable signal, we ask that you be sure all of your connections are properly installed to prevent weakening of the signal.

Should my antenna be grounded?

Yes. Even if you do not use an A/B switch. This helps prevent a potential fire hazard. We suggest that you have your antenna inspected by a qualified television technician. Cablevision does not provide this service.

IMPORTANT SUBSCRIBER INFORMATION: CABLEVISION'S PROGRAMS, PACKAGES, SERVICES, NUMBER OF CHANNELS, CONTENT, FORMAT, RATES AND OTHER ASPECTS OF CABLEVISION'S OFFERINGS ARE SUBJECT TO CHANGE OR DISCONTINUANCE AT ANY TIME IN ACCORDANCE WITH APPLICABLE LAW.

0073/MAS/7831/JAN92/QABS

A/B SWITCH ORDER FORM							
I would like to purchase A/B switch(es) from Cablevision. I understand each switch is available at a cost of ten (\$10) dollars.							
Yes, I am interested in having Cablevision install the A/B switch(es) in my home. I understand there will be a fifteen (\$15) dollar per outlet charge for installation, which will be in addition to the switch.							
Total Payment:							
Method of Payment (check one): bill my account check enclosed							
Name:	_						
Address:	_						
City (Town): State: Zip:	-						
Phone (Home): (Business):	-						
Signature:	_						
Fill out and send this form to:							
Cablevision, 577 Main Street, Hudson, MA 01749							

NO FEES TO ACCESS USERS

There will be no charge to non-commercial users of access facilities for programs.

The Lexington system utilizes a 72 channel capacity, fully addressable, broadband communication system with bi-directional capability. The system is a dual trunk, dual feeder design.

Currently provided is a dual operational 330 MHz Institutional Network that provides for two-way communication between the town offices and the schools.

The headend facility, tower and four satellite earth stations are all located in Lexington. All the signals from the earth stations, receiving antennas mounted on the tower and the local television stations in the area, are carried into the headend electronics that are located at the equipment building at the tower site. All of the local origination and access programs and the entire cable television distribution system emanate from this headend.

The headend signal processors and modulators are phaselocked and harmonically related to ensure minimum disturbance from composite triple-beat.

Cable is fully compatible with 330 MHz amplifiers. The cable system is bonded to the utility strand and grounded at every first pole, every tenth pole and every last pole at the ends of the lines. Clearances between the cable system and other utilities, street lights, fire alarms, etc., are maintained pursuant to the National Electrical Safety Code. The headend is equipped with an Onan propane-fueled emergency generator to supply standby power in the event of an electrical outage.

The system is supported on extra-high-strength steel messenger strand with a minimum breaking strength of 6,600 pounds, in order to withstand heavy loads imposed by ice storms and high winds. Subscribers are furnished with a converter/channel selector which is an intrinsic portion of the cable system that will deliver all signals to which the subscriber subscribers to their TV set/receiver. converter is included in the standard monthly charge because it incorporates the mechanism to convert non-standard television signals to a frequency that standard television sets can recognize, because it provides the descrambling function and because it serves as the turnstile and box-office to authorize and pass through to cable subscribers precisely the complement of signals they have ordered and paid for and only those signals. Optional wireless remote-control capability is to be made available to subscribers who desire it.

INTERCONNECTION

The Lexington system uses standard NTSC channel format. Hence, any channel can be interconnected with any other system, and any channel from any other system can be connected to the Lexington system.

Lexington is interconnected with the Bedford and Hanscom A.F.B. systems to that subscribers can benefit from local origination and access programming that is produced in those neighboring towns.

Question 31:

Insurance (Lexington)

- (a) Liability amount for property damage per accident: \$1,000,000.
- (b) Injury or death amount to one person per accident: \$1,000,000.
- (c) Injury or death amount to more than one person per accident: \$3,000,000.

Question 32:

Performance Bonds

\$100,000. (Until construction is complete and then a \$25,000. maintenance bond will remain in effect.)

22-Ma

LEXINGTON, MASS

FORM 100		w		,		w /	V 7	W 0	V 0	V 10
SCHEDULES C & D	Year 1 1991	Year 2 1992	Year 3 1993	Year 4 1994	Year 5 1995	Year 6 1996	Year 7 1997	Year 8 1998	Year 9 1999	Year 10 2000
LOCAL CHARACTERISTICS	======	======			*******	2-== ==	2==22#	222222	======	======
1. Homes in service area 2. Homes passed by cable 3. Aerial miles constructed	16,932	17,144	17,144	17,220	17,305	17,385	17,465	17,545	17,625	17,705
4. Underground miles constructed 5. Total miles constructed	225	230	230	233	236	239	242	245	248	251
SUBSCRIBERS										
6. Begining subscribers 7. New subscribers 8. Disconnects/cancels 10. Ending subscribers	9,858 1,943 1,610 10,191	10,191 1,953 1,450 10,694	10,694 1,452 1,452 10,694	10,694 1,785 1,494 10,986	10,986 1,814 1,535 11,266	11,266 1,834 1,574 11,526	11,526 1,890 1,610 11,806	11,806 1,914 1,649 12,071	12,071 1,970 1,686 12,355	12,355 1,994 1,726 12,624
9. Average paying subscribers (average subscribers)	10,021	10,451	10,542	10,840	11,126	11,396	11,666	11,939	12,213	12,489
SUBCRIBER REVENUE										
11. Regular subscriber charges 12. Installation income 13. Per program or per channel	3,729 27	4,139 31	4,417 35	4,757 38	5,103 40	5,449 42	5,809 45 -	6,192 48	6,582 50	6,992 54
14. Other subscriber revenue 15. Total subscriber revenue	3,756	4,170	4,453	4,795	5,143	5,491	5,854	6,240	6,632	7,046
NON-SUBSCRIBER REVENUE										
16. Advertising Income 17. Special service income	55	65	81	97	116	134	155	180	207	239
18. Other Non-subscriber Revenue 19. Total non-subscriber revenue 20. Total Revenue	87 142 3,898	120 185 4,355	104 185 4,637	115 212 5,008	127 243 5 ,3 87	141 275 5,766	154 309 6,163	169 348 6,588	186 393 7,026	203 441 7,488
DIRECT OPERATING EXPENSES										
1. Salaries and Benefits 2. Maintenance 3. Light, Heat & Power 4. Vehicles 5. Pole and Duct Rentals 6. Office and Billing 7. Promotion 8. Local Production 9. Interconnection Costs	516 137 38 58 64 53 16 0	525 129 34 67 65 51 (7) 0	612 150 40 78 76 59 (8) 0	647 159 42 83 80 63 (9) 0	681 167 44 87 84 66 (9) 0	713 175 46 91 88 69 (10) 0	751 185 49 96 93 73 (10) 0	790 194 51 101 98 77 (11) 0	833 205 54 106 103 81 (11) 0	876 215 57 112 108 85 (12) 0
10. Program Purchases 11. Other Direct Expenses 12. Total Operating Expenses	840 464 2,186	904 578 2,346	911 673 2,591	978 712 2,754	1,029 750 2,900	1,081 785 3,039	1,130 827 3,193	1,184 870 3,355	1,245 917 3,532	1,307 964 3,713